

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

38122

Agenda Number

80.

Meeting Date:

December 11, 2014

Department:

Purchasing

Subject

Authorize award and execution of Amendment No. 8 to the contract with RICOH AMERICAS CORPORATION for a long term lease of multi-function office equipment devices and managed services, to increase the contract authorization in an amount not to exceed \$600,000, for a revised total contract amount not to exceed \$2,974,999.

Amount and Source of Funding

Funding in the amount of \$600,000 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing
Language:

Contract Amendment

Prior Council
Action:

December 16, 2010 - Approved original contract.

For More
Information:

James T. Howard, Senior Buyer, 512-322-6307.

Boards and
Commission
Action:

November 17, 2014 - Recommended by the Electric Utility Commission on a 7-0 vote.

Related Items:

MBE / WBE:

This purchase was awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

Additional Backup Information

This five-year contract with Ricoh Americas Corporation was awarded as a cooperative procurement in December 2010 through the Texas Local Government Purchasing Cooperative (BuyBoard). The lease contract includes the provision of, and the managed technical support services for, 117 multi-functional office equipment devices related to print services. Specifically, the machines print, copy, scan and fax.

Ricoh is a charter member and supporter of the ENERGY STAR program. The equipment included in this lease contract has earned an ENERGY STAR and uses less energy to perform regular tasks, and when not in use, automatically enters low-power mode. In addition, Ricoh manages to recover almost 95% of the material content from equipment at the end of its useful life.

An additional \$600,000 is needed for the remainder of the current contract which ends in December 2015. The additional funding request is necessary due to increases in equipment needs and service which, in part, resulted from the build out of the new System Control Center, the Kramer and St. Elmo facilities, and utilization of more space at 811 Barton Springs Road. The number of office equipment devices utilized under the contract increased from 117 to 134. Also, an additional Ricoh technician was added to the contract to handle increased service requests and maintenance. These additions resulted in an average increase of \$10,000 per month in cost starting in 2012. There has also been an increase in service level usage due to special project requirements, increased color volume overages (for public presentations and handouts) which results in an increase in cost per copy and an increase in wide format (plotter) printer usage (for maps).

This request represents a 25.26% increase to the current contract amount. This increase is permissible pursuant to City Council Resolution No. 20040610-002.

Contract Summary

| Action | Description | Amount |
|---|---|--|
| Original Contract Awarded 12/17/2010– 09/16/2011 | Original 9-month contract | \$374,999. |
| Amendment No. 1: | Incorporate referenced documents to contract | \$0. |
| Amendment No. 2 | Incorporate scope for RightFax device connector | \$0. |
| Amendment No. 3 | Incorporate additional color device | \$0. |
| Amendment No. 4 | Incorporate additional color device | \$0. |
| Amendment No. 5 | Exercise Option 1 – 9/17/11 – 9/16/12 | \$500,000. |
| Amendment No. 6 | Incorporate additional services and adjust base monthly volumes | \$0. |
| Amendment No. 7: | Exercise remaining options: Option 2 – 9/17/12-9/16/13 Option 3 - 9/17/13-9/16/14 Option 4 – 9/17/14- 12/16/15 | \$500,000. \$500,000. \$500,000. |
| Proposed Amendment No. 8 | Increase total contract amount to support increased devices and usage | \$600,000. |
| Total Revised Contract Amount | | \$2,974,999. |